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Inflation Without End?

THE EDITORS

Agrarian Reform and Counter-Reform in Chile

JOSEPH COLLINS

Capital and the Work Ethic

JEFF HENDERSON AND ROBIN COHEN

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NOTES FROM THE EDITORS

We are most gratified to be able to report that the early response to the annual MR Associates appeal letter, from the date of mailing in September to October 15, i.e., a little over a month, has been excellent. The number joining the Associates increased by 23.5 percent compared to the period to October 15 in 1978, and the total amount of contributions increased even more, by 36.4 percent. Two cautionary notes should be added, however: first, the timing of responses tends to vary considerably from year to year, so that this good showing may be partly the result of more people acting sooner rather than later; and second, early responses last year were quite disappointing, which tends to make the percentage increases this time look more impressive than they perhaps ought to. Still, the results to date are very encouraging, and we hope they are a reliable harbinger of a good year to come.

While we are on the subject of the Associates, readers will be interested to know that the inquiry included with the appeal letter about possible interest in tours to Cuba and China organized by the Associates

(*Continued on inside back cover*)

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INFLATION WITHOUT END?

The U.S. economy has once again entered a recession which is accompanied by rampant inflation. The total output of goods and services, as measured by the Gross National Product (GNP), started to decline during the second quarter of this year. Prices, on the other hand, shot up at an annual rate of 10 percent during the same period. This behavior is typical of the recessions of the 1970s.

In earlier post-Second World War recessions (1948-1949, 1953-1954, and 1957-1958) prices on the whole remained fairly level, falling or rising by small amounts. Even this pattern already represented a break with the past, when depressions and recessions usually triggered a strong downward slide in prices. But the war in Vietnam, devaluations of the dollar, an explosion of debt, and creeping stagnation combined to bring about great changes in the operations of U.S. capitalism. A slump in output and employment no longer sufficed to stem the tide of inflation even for a brief period. Prices advanced by over 5 percent during the relatively mild recession of 1970. Then during the more severe and longer downturn between the end of 1973 and early 1975, prices moved up by at least 14 percent. And now, in the last recession of the decade, this seemingly contradictory pattern is again showing up in full force.

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It is not that the inflation of the current decade or that of the post-Second World War period as a whole is an entirely new phenomenon. This can be seen from the accompanying chart which traces the movement of the annual wholesale price index calculated by the Bureau of Labor Statistics from 1900 to the present. We have added the broken line to highlight the trend up to the end of the 1960s. This trend line clearly shows the dominant upward thrust of prices since the turn of the century.

There were, however, two major departures from the trend line before 1970. First there was the burgeoning inflation induced by the First World War and its aftermath. The sharp 1921 depression, however, pricked that balloon, though even so prices remained considerably higher than the prewar level. The Great Depression produced the second and much more severe divergence from the long-term trend. This time prices were brought down to the prewar level. Nevertheless, the gradual economic recovery of the 1930s followed by the impact of the Second World War raised the price level back to the historic trend. The long postwar economic expansion then put prices on an upward course, conforming with the overriding tendency of the century. This lasted into the 1960s when the stimulus of the Vietnam War initiated the new phase of rapid price increases which has been with us ever since. Whether this represents a third and major divergence from the historic trend line, or whether it is the beginning of a whole new trend remains to be seen. In any case, the rapid acceleration of price increases in the 1970s, though not the fact of a rising price level as such, is clearly shown on the chart. Whereas wholesale prices increased nearly 300 percent in the first six decades of the twentieth century, they shot up by almost 90 percent in only the next nine years.

Before we look further into the current situation, it is important to be aware that the long-run trend of prices in this century stands in sharp contrast to price behavior in the nineteenth century. Prices did of course fluctuate rather wildly at certain junctures during the 1800s, especially in wartime. But these inflationary periods were followed by deflations during which prices sank back to pre-inflationary levels and then continued to drift downward. The dominant trend was the reverse

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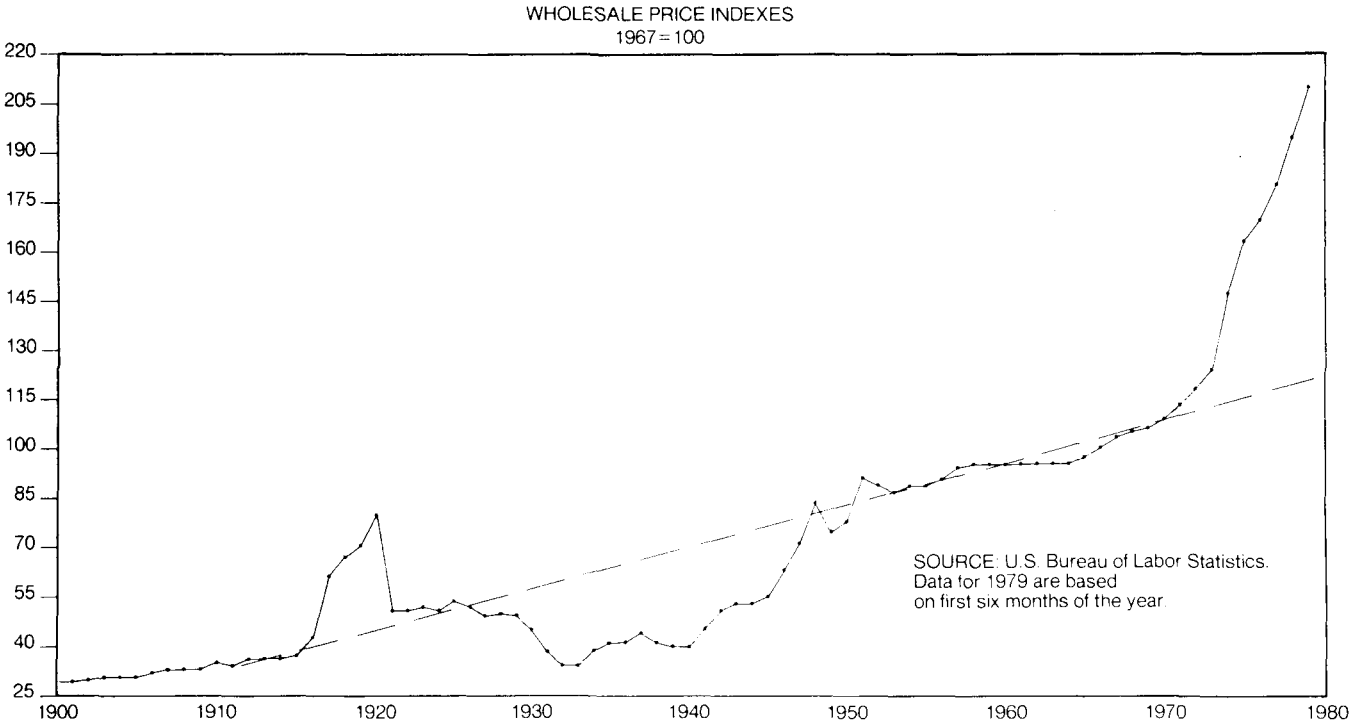

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of what we observe in the chart. Thus, despite a rise in the last years of the nineteenth century under the stimulus of the Spanish-American War, the average price level for the 1890s as a whole was 27 percent below that of the 1820s, the early years of industrialization.

Why this big difference between the nineteenth and twentieth centuries? In our opinion, the answer is simple: the transformation of capitalism from the competitive stage of the nineteenth century to the monopoly stage which has dominated the twentieth century. In the former, lower production costs, achieved through mechanization and other productivity-increasing methods, were reflected in price reductions. In those days, price-cutting was a major weapon in the competitive struggle for market shares and increased profits. And that is why prices, especially of manufactured goods, drifted downward in the nineteenth century.

The intense competition of the earlier capitalist phase, however, led to its opposite. Many enterprises lost out in the struggle: some disappeared entirely, while others were merged with or bought up by financially stronger rivals. As a result, over time more and more industries came under the domination of relatively few giant corporations. The power thus amassed by the successful firms made it possible for them to gain and control markets by means other than price-cutting (a dirty word in the lexicon of Big Business). As price-cutting lost favor and gave way to price-boosting as a more effective road to larger profits, the downward price trend of competitive capitalism disappeared, to be replaced by the rising price trend which, as we have seen, has been a basic characteristic of the whole period of monopoly capitalism.

In normal times, the price-setting strategy of rival giant firms generally takes the following form:

> If one seller raises his price, this cannot possibly be interpreted [by a competitor] as an aggressive move. The worst that can happen to him is that the others will stand pat and he will have to rescind (or accept a smaller share of the market). In the case of a price cut, on the other hand, there is always the possibility that aggression is intended, that the cutter is trying to increase his share of the market by violating the taboo on price competition. If rivals do interpret the initial move in this way, a price war with losses

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to all may result. Hence everyone concerned is likely to be more circumspect about lowering than raising prices. Under oligopoly [few sellers], in other words, prices tend to be stickier on the downward side than on the upward side, and this fact introduces a significant upward bias into the general price level in a monopoly capitalist economy. There is truth in *Business Week*'s dictum that in the United States today the price system is one that "works only one way—up." (Baran and Sweezy, *Monopoly Capital* [Monthly Review Press, 1966], p. 62.)

Of course the corporations of the monopoly period are not all-powerful: the devastating effect of the Great Depression on their prices and profits was the clearest illustration of the limits within which they operate. But even so, they came through fairly well, suffering relatively few bankruptcies (partly, to be sure, because of government rescue efforts). And in the merger movements following the Second World War they increased their weight in the economy as a whole and fortified their market positions, with the result already commented on that price declines in postwar recessions have been small and most recently have disappeared altogether. It is symptomatic of the present situation that even when the corporate giants are caught with enormous inventories of unsold goods, as in the automobile industry during the last six months, they resort to discounts and rebates in order to increase sales, carefully refraining from reducing their list prices. These are strictly temporary sales-promotion devices and in no way interfere with price increases on new models. For example at the very time when the media are full of advertisements by all the auto companies touting their rebate programs, the *New York Times* of October 2 carries a small item buried in its financial section with the headline, "G.M. and A.M.C. Raise 1980 Prices."

While most prices nowadays are strongly resistant to downward pressure, the pattern on the upside is quite different: a prolonged period of rising prices engenders a momentum of its own. What are prices for many sellers are costs for buyers, so that price increases end up as higher costs; and labor costs go up to the extent that workers are successful in their unending struggle to keep their real wages from being eroded. And so the scene is set for another round of price hikes, with each additional round planting the seeds for still another one, providing only

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that the government and financial institutions are ready to supply enough funds, through the expansion of debt, to sustain the higher price-and-wage structure. But this too feeds the flames, because of the rising costs of financing the debt.

It is against this background that the upsurge of prices in the 1970s must be evaluated. The extent and timing of the acceleration is summarized in Table 1.

Table 1

	Average Annual Percent Increase in Prices
1952-67	2.0
1968-73	5.0
1974-79	7.8

Note: The price indexes used here are the "deflators" designed to estimate real changes in the GNP. Their advantage is that they take into account wholesale prices as well as consumer prices. The basic data to 1978 can be found in the *Economic Report of the President* (Washington, D.C.: Government Printing Office, 1979). The 1979 data are based on the first half of the year and can be found in the monthly issues of the *Survey of Current Business*.

During the 15 years 1952-1967 prices rose at an average annual rate of 2 percent, in some years a bit more and in others less. The first sign of an acceleration showed up with the beginning of the Vietnam War: the average annual rate of increase in 1965 and 1966 was 50 percent higher than the average for the 15-year period as a whole (3.1 vs. 2 percent). And this speed-up has gathered momentum from 1967 right up to the present. The price increases in *every* year since 1967 were higher than in *any* of the years between 1952 and 1967.

As we see it, three major, and in some ways interrelated, factors combined to set off the acceleration of the price spiral. The first and most important stimulus was the one already alluded to: the strains put on the economy by the prolonged and exhausting war in Vietnam. Added to this was the breakdown of the Bretton Woods international monetary system followed by two devaluations of the dollar in 1971. Apart from other effects, these devaluations (as well as those that have occurred in more recent years) raised the prices of imported raw materials and other goods that enter into the domestic price structure. Finally, the forces that fed the long post-Second World War prosperity period began to peter out in the late 1960s, paving

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the way for a new stage of stagnation. The response of the U.S. economy to this creeping stagnation was to foster a vast explosion of debt which, at least for the time being, served to shore up the demand for goods and services. At the same time, the ever-expanding debt required more and more of the same to enable business and consumers to service the debt already incurred and to stave off a potential collapse of the whole bloated credit system.

Table 2

	Average Annual Additions to Debt in 1972 Prices (billions of $)
1952-67	65.5
1968-73	133.5
1974-79	193.3

Source: Federal Reserve Board, *Flow of Funds Accounts*, various issues. The price index used to convert the figures into 1972 dollars was the Gross National Product implicit price deflator.

Table 2 presents a summary of the average annual additions to government, business, and consumer debt. The figures are adjusted to remove the effect of price changes. Therefore the increases shown for the same time-spans as in Table 1 are comparable from period to period. What is especially noteworthy here is that the pattern of the two step-ups in the growth of debt resembles that of the annual price increases in Table 1. In this case, the rate of increase of debt during 1968-1973 is 104 percent above that of the preceding period. And then during the 1974-1979 years the net additions to debt jump by another 45 percent.

Perplexed by this complex of developments, commentators in the bourgeois press as well as orthodox economists keep on looking for external evils on which to pin the blame for each new leap in prices: a drought in Africa, large Russian wheat purchases, a decrease in Peru's anchovy catch (used for animal feed), and, over and above all, soaring oil prices. There is no question that at one time or another unexpected disturbances do affect a part of the price system. But neither singly nor in combination can these special factors explain the historical record; not even the huge advance in oil prices posted by the OPEC countries at the end of 1973. For, as can be seen from

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Table 1, the acceleration of price increases began before 1974, when the new OPEC price schedule began to take full effect: from 1967 to 1973 the average annual price increase was two-and-a-half times that of the preceding 15 years. The truth is that the OPEC price hike has to be seen largely as a *response* to the long-lasting and accelerating rise in the prices of the commodities these countries buy from the United States and other advanced capitalist countries. The increase in oil prices did of course contribute to the speed-up in the general price level, especially after 1973, but it was part of the process and not the initiating cause.

In this connection, we should also clear the air on the role of wage increases as a causal factor. Part of the conventional wisdom is that recent inflation is the product of a conflict between monopolistic trade unions and giant corporations for a bigger share of a pie that isn't growing fast enough to satisfy both of them. But what are the facts? Table 3 summarizes data on average weekly earnings of production and non-supervisory workers, adjusted for changes in the cost of living. The first column shows gross average weekly earnings, and the second column presents estimated spendable earnings of a worker with three dependents (i.e., gross earnings less the federal income and social-security taxes a worker with three dependents would pay).

Table 3
Weekly Earnings of Production and Nonsupervisory Workers
(in 1967 dollars)

	Gross Earnings	*Spendable Earnings*
1952	76.29	72.79
1967	101.84	90.86
1968	103.39	91.44
1973	109.26	95.73
1974	104.57	90.97
1975	101.67	90.53
1976	103.40	91.79
1977	103.93	93.48
1978	104.25	92.50
1979 (first half)	102.15	90.72

Source: *Survey of Current Business*, various issues. Spendable earnings are what a worker with three dependents would have left over after paying federal income and social security taxes.

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Here we see that real earnings increased between 1952 and 1967 at a rate of less than 2 percent a year. In that period of relatively mild inflation workers were ahead of the game, but clearly not by much. Gains in real wages were also achieved in the next period, from 1967 to 1973. But these gains slowed down (to about 1.2 percent a year) just when prices took a great leap forward. Now look at what happened in the years from 1973 to 1979, precisely the period of most rapid price acceleration. As might be expected, this was when workers' real wages were going *down*, the sharpest drop occurring between 1973 and 1975. There was some recovery after that, but note that in no year since 1973 did real gross earnings ever re-attain the previous peak. The plain fact is that real gross weekly earnings in the first half of 1979 were almost 7 percent below the 1973 high, and spendable earnings were 5 percent below. Real gross weekly earnings in the first half of 1979 were even below the level of 1968! (This does not mean of course that consumer demand as a whole declined, since self-employed professionals as well as those who live off surplus value are also consumers. In addition the consumption demand of the working class itself is sustained by the trend toward more women entering the labor force and by an increased use of consumer credit.)

As we emphasized above, the factor underlying the long-run upward price trend in this century has been the growing importance of monopoly capital. This does not mean of course that every increase or unusual acceleration of prices is directly due to the behavior of monopoly capitalists. But while monopoly capital may not be the direct cause of major upward movements of prices, it is nevertheless the necessary condition for their occurrence. Thus while the proximate cause of the most recent flare-up is the expansion of purchasing power through the virulent growth of private and public debt, it is because of the monopolistic structure of the economy that this added purchasing power goes into increasing prices rather than output. If monopoly is not the motor, it is nonetheless the *sine qua non* of the extraordinary inflation of the current decade as well as of the preceding upward spirals.

It is especially important to understand this because of the

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deeply ingrained myth that the market place is or could be the rational and even-handed regulator of economic affairs. The truth is quite the opposite. The market is indeed rational in the sense that it serves the aims of a profit-directed economy: to reproduce and strengthen the centers of monopoly power and to allocate resources in favor of the rich. But for others, and above all for those whose only source of livelihood is the sale of their labor power, the market is and always has been an engine of exploitation and repression.

This is becoming increasingly evident as the political agents of the ruling class try to maneuver between the Scylla of still more inflation and the Charybdis of a devastating depression. Whichever way it goes, workers are bound to be squeezed and to suffer. Their only recourse, as we believe more and more of them are beginning to recognize, is to organize and fight for their class interests. And this, as they will sooner or later discover in the course of the struggle, means not trying to do better for themselves within the framework dominated by market forces, but scrapping that framework altogether in favor of one capable of serving the interests of the entire society of producers.

From the standpoint of a higher economic form of society, private ownership of the globe by single individuals will appear quite as absurd as private ownership of one man by another. Even a whole society, a nation, or even all simultaneously existing societies taken together, are not the owners of the globe. They are only its possessors, its usufructuaries, and, like *boni patres familias,* they must hand it down to succeeding generations in an improved condition.

Karl Marx, *Capital,* Vol. III

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CAPITAL AND THE WORK ETHIC

BY JEFF HENDERSON
AND ROBIN COHEN

In emphasizing the problem of "habituation" as a central and continuing problem for capital, Harry Braverman, in *Labor and Monopoly Capital*, has opened an important debate, only partly entered into by Marx himself. While Marx's central project in *Capital* was to analyze the ways in which competitive capitalism was able to reproduce the *means* of production fundamental to its epoch, the concomitant problem of reproducing the *relations* of production was only incidentally considered. As Braverman points out, capital has to renew, with each generation, its attempt to habituate workers to a capitalist mode of production. Young workers are "plunged into work from the outside, so to speak, after a prolonged period of adolescence during which they are held in reserve."[1]* The need for capital or the state to instill and reproduce acceptance of an industrial work ethic is not, however, a problem solely confined to young workers. Though the attitudes of young metropolitan workers have certainly recently been a thorn in capital's side, two other

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A longer version of this paper which includes more detailed reference to the historical experiences of American and British workers, as well as an analysis of the role of family and community in the habituation process, is available in *Papers in Urban and Regional Studies*, No. 3, 1979 (Centre for Urban and Regional Studies, University of Birmingham, Birmingham, England). Jeff Henderson is a Research Fellow in the Centre for Urban and Regional Studies, University of Birmingham. Robin Cohen is Professor of Sociology, University of the West Indies, Trinidad, and co-editor of *Peasants and Proletarians: The Struggles of Third World Workers* (Monthly Review Press, 1979).

* Notes will be found at the end of the article.

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fractions of the working class, namely Third World workers and migrant workers, also merit separate consideration. Braverman's account also needs to be supplemented by a greater consideration of the manner in which "appropriate" attitudes are generated and transmitted. In particular, it is helpful to make use of Lefebvre's suggestive distinction between, on the one hand, "exterior conditioning," which consists of overt moves by capital directed against labor, normally at the point of production; and, on the other hand, "interior determination" arising from those elements of culture and ideology which become accepted and transmitted, or even generated, by the institutions of proletarian culture itself.[2] In seeking to demonstrate the variety of ways in which capital has sought to habituate workers to the demands of industrial labor we have drawn on historical and contemporary experiences of African, British, and American workers.

Exterior Conditioning

Before capital can subjugate a work-force to the demands of industrial production, it has first to create and control a stock of labor power, separating peasants and artisans from their own means of production and forcing them to sell their remaining asset—their labor power—as a commodity.

Early examples of resistance to this process by workers abound. Research on African labor history, for example, has shown that many African communities feared the encroachment mercantilist period. Desertion from work and self-mutilation to escape service in the colonial armies were common. Whole communities fled into remote regions to escape "black birder" recruiters and the colonial soldiery, who were acting for labor-hungry farmers or colonial states ready to initiate public works —railways, roads, ports, etc. Sustained wars of "pacification," which were spuriously represented as "stopping tribal wars" were designed to subjugate recalcitrant communities. Often the peace terms included a provision that the defeated communities had to provide labor for neighboring public works. In conjunction with wars of pacification, forced labor was used, while "hut" and "poll" taxes were imposed, taxes which, needless to say, could only be paid with money earned through wage labor.[3]

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Where the work was particularly dangerous or enervating, as in mining, colonial companies evolved a vicious "compound" system to habituate workers. In *Chibaro,* a powerful study of the system of migrant labor to the Rhodesian gold mines, Charles van Onselen points to the centrality of the compound as a habituating mechanism. Mine owners exerted an almost "military discipline" in the compounds, regularly fined workers for "misdemeanors" and permitted assaults on them. More subtle but no less obnoxious means of subordination were also used. The credit system (a twisted variation of a company-store operation); the production and provision of alcohol, drugs, and sex; religious education; dancing and sports—all these were manipulated by mine managements to induce patterns of obedience, servility, and finally acceptance of the debilitating conditions of work. Workers responded by desertion, theft, individualized pleas for justice, and time bargaining (called "loitering"). As van Onselen argues, "compound police, spies, censorship, and the *sjambok* (whip) do not produce an environment conducive to the development of public ideologies, organizations, meetings, petitions, or strikes. . . . The pattern of resistance should be looked for in the nooks and crannies of the day-to-day situation."[4]

Similar early forms of resistance were evidenced by workers in Britain, the United States, and other industrial countries. Attempts by early industrialists to forge a first-generation working class for their new factories were met by massive absenteeism and worker mobility (labor turnover) rates, the latter often in excess of 100 percent per annum. Workers often stubbornly resisted the cultural shifts necessary for them to become effective proletarians, often preferring to adhere to folk customs at odds with the rigorous schedules of factory production.[5]

Capital sought to eliminate or reduce individual and collective struggles against habituation principally by manipulating the labor process, developing piece-rate systems, and by applying new technology. With regard to the manipulation of the labor process, Stephen Marglin has shown that the first factories in Britain were created not so that new technologies could be efficiently exploited but rather so that the first industrial capitalists could exert an increased control over the labor process

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and increase the rate of exploitation by means of close supervision in the context of an extended division of labor.[6] Mill and foundry workers were often brutally driven, and were subject to dismissal for bad work and fines for lateness, opening a window, or talking. The disciplining of workers for trivial, though for capital inconvenient, behavior, has persisted to the present day. As late as the 1930s, for instance, Ford workers were fined for talking in the shop; while the practice of docking fifteen minutes wages from workers who arrive more than two minutes late is still standard practice in British industry.

Another quite early innovation in the mechanics of "exterior conditioning" was the manipulation of wage-payment systems, primarily in terms of the application of piece-rate systems. The piece-rate system had a number of advantages for capital. First, it tied the worker's remuneration to the amount of effort expended, and hence served to reduce the amount of direct supervision required. Secondly, it was frequently used to ensure that a worker's wage packet in part depended on the amount of labor power he could extract from another worker, as where a child was tied to an adult laborer, and the adult's wage in part depended on exploitation of the child. Thirdly, the piece-rate system was a useful way of instilling the centrality of the cash-nexus in the consciousness of workers, and as such can be seen as having some impact on ideological reproduction. Under contemporary capitalism, the use of wage manipulation as a habituating technique remains significant. Productivity and bonus schemes are common, though piece-rate systems have fallen rapidly out of favor with capital during the last ten years or so. A system originally designed in part to decompose the basis of worker solidarity and communicate the benefits of individual competition, has been "recovered" by the workers and used to their own ends. Workers on piece-rate tend only to produce to an extent which will provide them with what their work group considers to be an adequate wage. The result of this change in the functioning of the piece-rate system, beginning in Britain in the 1950s, was a gradual though ultimately substantial increase in wages (particularly in the automobile and engineering industries), coupled with only minor increases in productivity ("wage drift"). The response of capital, beginning

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with Chrysler (UK) in 1967, has been the introduction of "measured day-work" systems.[7]

Perhaps the most significant weapon available to capital for habituation at the point of production, however, has been technology. The application of technology to production, of course, has enabled a vast increase in the rate of exploitation, reduced the numbers of laborers required, and through the process of de-skilling, reduced the unit cost of labor (the "Babbage principle"). Just as important as these "advantages" of technology, however, has been the fact that machinery works with a stable and predictable rhythm, and can be operated for long periods of time. Through the use of machinery, the capitalist is able to set the pace at which the laborer works. The resultant speed-up comes to be perceived by the laborer as the inexorable consequence of the essential application of science to production, thus diverting hostility away from the relations of production. The habituating capacities of technology were not lost on that early management consultant, Charles Babbage. "One great advantage which we may derive from machinery," Babbage suggests, "is from the check which it affords against the inattention, the idleness, or the dishonesty of human agents." Nor were the implications unclear to that more blunt ideologue of early capitalism, Andrew Ure, who saw machinery as "a creation designed to restore order among the industrious. . . . This invention confirms the great doctrine . . . that when capital enlists science into her service, the refractory hand of labor will always be taught docility."[8]

Not only has technology in the context of the capitalist division of labor been a useful means of decreasing the worker's control over the labor process, it has also been useful in blunting the possibilities of class struggle. As Marx points out, machinery "is the most powerful weapon for repressing strikes. . . . It would be possible to write quite a history of the inventions made since 1830 for the sole purpose of supplying capital with weapons against the revolts of the working class."[9] A classic example of the naked use of technology to decompose a workforce occurred in 1885 at the Chicago plant of the McCormick Harvesting Machine Company, forerunner of International Harvester. Unproven pneumatic molding machines

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were introduced into the plant foundry in order to eliminate the need for the previously militant and skilled iron molders. By re-equipping the foundry with the new technology (which *increased* the cost of castings due to the inefficiency of the machines), McCormick was able to fire all 91 molders, and replace them with unorganized, unskilled laborers. A directly parallel contemporary case can be observed in the application of automatic welding machines ("unimates") on the Vega assembly line at General Motors, Lordstown, to displace militant welders.[10] The intervening 80-odd years has seen the consistent use of new technologies, partly designed to increase the rate of exploitation, but also partly to discipline and decompose labor. Indeed, it seems plausible to argue that the rapid growth of technology in American industry, relative to Europe, resulted from the need to habituate successive waves of first-generation working people throughout the bulk of the twentieth century.

The creation and control of a stock of labor power, the organization of the labor process within the work place, wage manipulation, and finally the use of technology constitute the principal weapons capital deploys to habituate a proletariat trying to escape the control of capital over its skills and means of subsistence. But the problem outlined, i.e., the reproduction of the relations of production, needs to be addressed comprehensively not only in terms of the exterior conditioning orchestrated at the behest of capital at the work-place, but also in terms of the manner in which habituation enters the institutions of proletarian culture itself.

Capital and Interior Determination

The processes of resistance to, and acceptance of, the industrial work ethic within proletarian consciousness and culture, can best be observed by contrasting the American and British cases. Unlike their counterparts in Western Europe, American industrialists had to habituate a first-generation working class at almost every stage of industrial development. In no other country was the motor of industrial expansion so dependent on successive waves of immigrant rural laborers and artisans.

Herbert Gutman argues that the responses to factory labor in the three periods of industrialization he identifies (1815-1843,

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1843-1893, and 1893-1919) were similar even though the immigrant workers were from diverse cultural backgrounds. In particular, worker mobility, when economic conditions allowed it, was a major form of resistance. By 1918, with unemployment down to 1.4 percent, annual labor turnover rates of 1,600 percent–2,000 percent were not unusual. Again, first-generation workers also engaged in product sabotage in all three of Gutman's periods.[11] But the resistance stemmed as much from the American immigrant's own culture as from the labor process itself. By this we mean that in the context of a newly industrializing society an indigenous culture soon begins to transmute into a "counter-culture," a sub-culture generated and structured by its relations of conflict with the dominant culture. Though many immigrants, and particularly those subject to Taylorized labor processes, had little chance to display their traditional work orientations, many others who maintained a greater degree of job control adhered to spasmodic, task-oriented (rather than time-oriented) styles of work. Like their English compatriots in the late eighteenth and early nineteenth centuries, the first-generation immigrants were frequently too drunk to work, particularly on pay-days and Mondays. One can also cite numerous examples of immigrants adhering to traditional festivals at the expense of production.[12]

But the techniques adopted to habituate these successive first-generation workers in the United States differ markedly from the British experience. The habituating mechanisms were, firstly, more systematic at an earlier period (though not necessarily more effective) than in the British case; and, secondly, they were developed primarily and quite directly by capital itself, rather than by the state. The systematic attack on the American worker's counter-culture was initiated with the development of the monopoly trusts before the First World War. The attack, which was organized by capital and operated at the levels of both "exterior conditioning" and "interior determination," for the first time in history established what has recently come to be known as the "social factory"—in other words, the systematic extension of the relations of production into everyday life, the realm of the employee's leisure and non-work activities.

The disintegration of the first-generation work counter-

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culture was effected by the development of Taylorist and Fordist production and control techniques on the one hand, and (what is generally absent from Braverman's account) by the development of an ideological ("Americanizing") and "welfarist" strategy on the other. The welfarist strategy which was developed initially, and most extensively, by International Harvester included pension and sickness benefit schemes, profit sharing, improved working conditions, and sports and educational facilities. Like the earlier British "industrial communities," the strategy developed from a mixture of capitalist philanthropy and a desire to generate company loyalty and a docile labor force.

Capital operated in other ways to ensure the interior determination of the relations of production. After the YMCA had initiated a language and citizenship program for immigrant workers in 1907, capital soon grasped the advantages of language training to the creation of a disciplined work-force. Language training relating directly to production needs was developed (usually with YMCA assistance) by International Harvester in 1910 and Ford in 1914. Lesson One of Harvester's (Chicago) English Instruction included these literary gems: "I hear the whistle, I must hurry" and "I work until the whistle blows to quit." Lesson Two admonished, "No benefits will be paid if you are hurt while scuffling or fooling."[13] Ford, characteristically the most zealous of American capitalists at the time, made language training in his factories compulsory. Ford and International Harvester were only exceeded perhaps by the mining corporations of South Africa which constructed a special language from Zulu and Afrikaans, called *Fanakalo*, in order to instruct raw recruits from diverse ethnic backgrounds. This effectively inhibited communication between workers except in the quasi-military language invented by the bosses.

Language training was just one of the pressures for cultural adjustment to which Ford workers were subject. Ford also tied his $5-a-day pay proposal of 1914 to a cultural qualification. Not only did people have to be "model" (i.e., disciplined) workers in the factory to qualify, but their personal and family lives were subject to the prying eyes of Ford inspectors who checked on workers' morals, drinking habits, etc.[14]

The substantial fragmentation of labor typical of American

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monopoly capital was not a significant feature in Britain until the late 1930s. Workers in British industry remained predominantly skilled and apprentice-trained. Notions of pride-in-job and a "fair day's work for a fair day's pay" were pervasive. The collective struggles which did develop were not typically around habituation issues, but rather were wage-related or explicitly concerned with control over the production unit. Again, unlike in the United States, welfarism in Britain was developed under the aegis of the state (though, here and there, as in the Morris car factory in Oxford or the Cadbury chocolate factory in Birmingham, old-style philanthropic capitalism persisted). In the pre-Second World War period the state's welfare role took the form of providing a limited security in times of unemployment and old age, and improving the physical capacities of workers with various health-insurance schemes. The "social factory" in Britain was, in short, created more slowly than in the United States, and not with the intensity of the cultural qualifications demanded by Ford. The inter-war period did, however, see the beginnings of a policy to relocate working-class families in culturally sterile, anonymous housing estates, on the peripheries of the industrial cities. These "council [public] housing" projects were often located next to "industrial estates" occupied by newer "light" industries operating with mass-production processes into which the workers displaced from the stagnating primary industries (coal, steel, shipyards, textiles) were inserted.

The most significant role of the British state in habituation since 1945 has been its contribution to the development of an ideology of "classlessness." Though all the main political parties have propagated this ideology, the Labour Party's role has been particularly significant in that it has created a content for "socialism" primarily composed of extensions in welfare-state benefits, the continual improvement of living standards, and limited state intervention to harness capital accumulation for the "general social good." As such it has given the legitimation of "socialism" to what are overtly capitalist relations of production.

By sponsoring the ideals of equal opportunity, the virtues of civic pride and diligence, and the possibility of social mobility in a supposedly classless society, capitalist- and state-sponsored

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mythology has sought to justify the continuing frustrations, boredom, and brutality of shop-floor labor. To the extent that this ideology becomes part of the interior determination of proletarian consciousness the capacity for working-class struggle is reduced. But to the surprise and chagrin of capitalist apologists, important new struggles against habituation are now becoming apparent.

Habituation: Capital's Unsolved Problem

The persistence of the problem of habituation in late capitalist societies has confounded the academic defenders of the capitalist industrial order. In a widely cited study of comparative industrialization, Clark Kerr and his collaborators expressed capital's optimistic scenario most forcibly. In their view, wildcat strikes, absenteeism, sporadic withdrawals, violence, loitering, machine breaking, thefts, and the use of narcotics, were phenomena of *early* industrialization which progressively disappeared in mature industrial systems.[15] Yet these forms of struggle—all efforts by the proletariat to resist the capitalist work ethic—are precisely those forms which are now causing concern to capitalist interests. Wage bargaining and economistic strikes, which many commentators thought comprised the only remaining forms of worker struggle, are giving way to issues of worker mobility, insubordination, and "non-accidental" accidents. In the United States, as Braverman notes, labor turnover rates in the late 1960s and early 1970s at Ford and Chrysler averaged 25-30 percent, with one Ford plant reaching 100 percent per annum. In Britain rates of labor turnover in the truck and car divisions of Ford have been 40 percent and 50 percent respectively, while in terms of absenteeism our own researchers record daily rates of 5 and 10 percent in International Harvester's assembly plant in Doncaster, England.

The persistence of such forms of industrial action as absenteeism, worker mobility, insubordination, and sabotage to which we have pointed throughout this essay, appear in Western industrial societies to be carried forward now primarily by two sections of the proletariat—the young and the migrants. Even a cursory look behind the statistics on such forms of action in many countries of the late capitalist world reveals that young

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and migrant workers are predominant in these forms of dissent. The Lordstown struggles of the early seventies were primarily responses of young and migrant Appalachian workers. In Italy, the "Hot Autumn" of 1969 developed from the activities of young migrants from the south in the Fiat plants; while in Britain the explosion in the incidence of insubordination, sabotage, and absenteeism during the last few years at Ford's Halewood and Dagenham plants, seems to have been in large measure produced by young white and West Indian workers.[16] It is also worth recording that capitalism's much advertised attempt to "humanize" the workplace—the teamwork method of car production used by Volvo (Sweden)—was necessitated by absenteeism. As Robert Taylor points out, economic necessity, not high-minded altruism, impelled Volvo down the path of job reform. In the late sixties half of the workers at its main Torslanda plant quit their jobs within a year; three in ten failed to show up in some section every day. The company was forced to employ an extra 800 workers on stand-by and to import nearly half its workers from Turkey, Yugoslavia, and Greece. The attempt to create a humane working environment and the atmosphere of a small workshop is, in other words, a direct consequence of the failure to habituate workers to the demands of Taylorist and Fordist car-production methods. In spite of "job enlargement," however, absenteeism at Volvo remains substantial.[17]

While on the one hand migrants are being inserted into production in advanced countries (usually in the most demanding, dangerous, low-paid, and dirty jobs) a new proletariat of significant size is being created in the peripheral capitalist countries. Here the task that confronts capital is first to create and control anew a stock of malleable labor power, a task given renewed urgency by the recent tendency of capital, particularly transnational capital, to migrate to low-wage areas. The creation of export-oriented manufacturing sectors in poor countries (e.g., northern Mexico, Taiwan, Mauritius, Hong Kong, Singapore, and South Korea) has placed on the agenda a program of habituation comparable to the period of early industrialization in Britain and the United States. Often the national bourgeoisies in Third World countries, who usually have a commercial or

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statist character, are firmly linked with international capital in an attempt to subordinate their own working classes. In their brochures advertising desirable locations for transnational capital, the ruling classes of peripheral countries compete in their complicity to hold down labor protest. The Singapore government has ruthlessly suppressed trade unions, while an official Mauritian government pamphlet offers "favorable labor laws to help export industries achieve their objectives."

While some fractions of metropolitan capital have taken flight to low-wage areas, partly in response to the class struggles of metropolitan workers, less mobile sections of Western capital have enormously increased their reliance on imported migrant labor to cheapen production and lower the costs of the reproduction of labor in the advanced countries. Migrants are held outside the organizational traditions of the indigenous proletariat by means of racism and legal restrictions on their employment, residence, family and civic rights (as in Germany, Switzerland, France, and increasingly Britain). On the surface the cards are all stacked in capital's favor, yet the use of migrant labor has created for European capital the problem of once again habituating a first-generation working class.

As Berger and Mohr have recently shown, migrants' perceptions of community, of work and play, their work and time orientations, do not resonate with the requirements of industrial production in an urban context. They display, in the phrase we have adopted, a work counter-culture. Similarly in the United States, a country surely more skilled in the techniques of habituation, work counter-cultures among both migrant and ghettoized racial minorities persist. Among Afro-Americans, at least, there is evidence to suggest that racism and unemployment have combined to deepen a work counter-culture which, though rural in origin, has been creatively adapted for survival in the urban ghetto.[18] In Britain, our own (Henderson's) research suggests that even second-generation West Indians are maintaining counter-cultural responses to the experience of factory labor.

Having discussed the cases of Third World workers, both in peripheral and advanced sectors of capital, there remains finally the case of young white workers. For these workers the degradation of the work experience and the decline of the older

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working-class community has been compensated for by the promise of private happiness rooted in commodity consumption. The attempt to overcome the inherent tendency to overproduction in capitalist economies by organizing the sphere of consumption (through mass advertising, etc.) has, since the Second World War, been largely directed towards the young, newly affluent workers. After years of trying to suppress the hedonistic component of working-class culture in the interests of productive efficiency, capital now finds it necessary to encourage *private* hedonism but collective (in the workplace) restraint. While older proletarians appear to have negotiated the schizophrenic self which these contradictory demands help generate, young workers have developed various cultural styles (e.g., in Britain the Teds, Mods, Rockers, and Skinheads) incorporating a *collective* hedonism which continually threatens to engulf the workplace. Shop-floor "games," which involve both sabotage and humorous release, are played, while the use of narcotics at work is common (particularly in the United States).

The culture of young workers is not just a variety of some "classless" youth culture. Rather the various styles and rituals of young workers represent specific articulations of a generalized working-class culture, one component of which is the search for the collective identity which cultural decomposition has undercut.[19] That collective identity has, of course, in part been grounded in commodities (motorbikes, cars, rock music, clothes) and partly in the cafes, discos, and "Saturday Night clubs," which have become the functional equivalents of the pubs, taverns, union lodges, cornershops, and pool-halls of traditional working-class culture.

Along with the resistance to privatization has gone a resistance to authority in the factory (and elsewhere).[20] The crucible of this resistance has been the school. The latent function which the school system in particular perpetuates in childhood and adolescent years is the socialization of failure. In a "sponsored" education system underpinned by an elitist educational philosophy—such as in Great Britain—formal mechanisms for the communication of failure (streaming or tracking, examinations) complement the informal, interpersonal communication of failure that derives from the relationship between

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teacher and student. In the United States, which operates with a more populist educational philosophy, the formal communication of failure is less significant than in Britain; but the American school system is as effective in the production of failures as any other school system in the capitalist world.[21] Given the key role of the school in the habituation process—particularly since the Second World War—the development of a student resistance to school authority is hardly surprising. What is more significant for our purposes is that the culture of resistance developed by working-class students now appears to be on the way to being transferred, though in somewhat different forms, to the workplace.[22] Resistance to supervisory authority, sabotage, persistent late-arrival at work, absenteeism, seem to be on the increase, particularly among young workers, even in a period of economic crisis and high unemployment.

Conclusion

We have tried to show in general why habituation has persisted as a problem for the viability of the capitalist mode of production. Changes in the labor process have often been designed to reduce worker resistance to the industrial work ethic. But just as important as the "exterior conditioning" attempted by capital and by the state acting to maintain the common interests of capital has been the "interior determination" observable at the level of social institutions, culture, and ideology. While we have drawn on many historical and comparative examples, we are particularly concerned with the contemporary resurgence of resistance to capitalist habituation. The dialectics of resistance and habituation are fought out at work and at the cultural level, in the spheres of production and reproduction. Capital has not yet won the battle for habituation, though progressive fractions of the dominant interest seek more and more ingenious solutions to conceal their extraction of surplus value. While resistance in several forms has been shown by all workers, particular attention should be paid to the struggles of Third World workers in peripheral and advanced countries, and to the cultural recomposition and work protests of young metropolitan workers.

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3. See R. Sandbrook and R. Cohen, eds., *The Development of an African Working Class* (London: Longman, 1975), and P. C. W. Gutkind, R. Cohen, and J. Copans, eds., *African Labor History* (Beverley Hills: Sage, 1978).
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5. See E. P. Thompson, "Time, Work-Discipline and Industrial Capitalism," *Past and Present*, December 1967; S. Pollard, *The Genesis of Modern Management* (London: Arnold, 1965); M. Dubofsky, *Industrialism and the American Worker* (Arlington Heights: AHM Publishing Co., 1975); and H. Gutman, *Work, Culture and Society in Industrializing America* (New York: Knopf, 1976).
6. S. Marglin, "What Do Bosses Do?" in A. Gorz, ed., *The Division of Labor* (Hassocks: Harvester Press, 1976).
7. A useful description of how workers in one shop "recovered" the piece-rate system is in D. Roy, "Quota Restriction and Gold Bricking in a Machine Shop," *American Journal of Sociology* (March 1952). "Measured day-work" refers to a payment system where workers are paid at an hourly rate, but the production rate is set via negotiation for a work group (e.g., workers on the same assembly line) over an eight-hour period. MDW necessarily implies "scientific management," whereas a piece-rate system does not.
8. C. Babbage, *On the Economy of Machinery and Manufacturers* (London: Knight, 1838), p. 52. Andrew Ure is quoted by Marx in *Capital*, vol. 1 (New York: International Publishers), p. 437.
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AGRARIAN REFORM AND COUNTER-REFORM IN CHILE

BY JOSEPH COLLINS

Five years have passed since a military junta violently overthrew the constitutional government of President Salvador Allende. In these five years of martial law, the junta has summarily detained, tortured, murdered, and forced into exile untold tens of thousands of Chileans. Such human-rights crimes of the junta are protested the world over—thanks in part to their documentation by such organizations as the Chilean Catholic Church and Amnesty International. On my own visit to Chile, I sought to measure the junta's human-rights impact in yet another way, by asking: What have been the policies of the junta in the countryside? And what have been their consequences for the well-being of the Chilean people?

Agrarian Reform Before the Junta

In 1965, a mere 730 estates controlled half of Chile's agricultural land—over 25 million acres, an average of over 34,000 acres per estate. By contrast, 45,233 farms were of less than 2.5 acres and 156,769 more were of less than 25 acres. In

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Joseph Collins is a staff member of the Institute for Food and Development Policy and co-author of *Food First: Beyond the Myth of Scarcity* (New York: Ballantine Books, 1979). He visited Chile in December 1978; this article is his first published report on that visit. While this was his first time there since accompanying a Congressional delegation to Santiago shortly following the military coup, he had visited Chile numerous times between 1958 and 1973. His statistical data are from Spanish-language sources. Those readers who are interested may request them from the author at the Institute for Food and Development Policy, 2588 Mission Street, San Francisco, Calif. 94110. (Please send a stamped, self-addressed envelope.)

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the prime central zone, only 8 percent of the farm units controlled over 80 percent of the land. Almost half of the rural population were deprived of land ownership; they survived as permanent laborers on the large estates (latifundia), paid mainly in kind and with the right to use some of the land. Despite an exceptionally favorable ratio of people to good agricultural land (the countryside resembles the Pacific coastal states of the United States), Chile imported more agricultural products than it exported, with the deficit growing during the 1960s.

By 1965, the urgency of land reform could no longer be denied. Agricultural stagnation combined with pressure from campesinos beginning to organize unions (and, in a few cases, to seize land) and some recognition of the gross injustices in the countryside motivated the land reform of the Christian Democratic government (1965-1970). While land was promised to 100,000 campesino families, only 20,000 were in fact recipients.

It was not until the Popular Unity government (1970-1973) that land reform took off, under great pressure from organized campesino groups. Cooperative structures (*asentamientos*) were organized not only to rationalize the use of the land and modern equipment and other inputs, but also to create structures of effective participation for the rural majority traditionally disenfranchised from national political power.

By the time of the military coup in 1973, there were no longer any estates with over 200 prime acres, and over 40 percent of the cultivable land was in the reform sector. The campesinos were massively organized.

The Junta's Agrarian Counter-Reform

With a penchant for doublespeak, the military junta immediately set out to "normalize" and "consolidate" agrarian reform. As part of a massive privatizing of the economy, nationalized industries have been "returned to the community." Indeed, the junta has sought to reinstate and reinforce private property at every turn.

Thirty percent of the land expropriated under the agrarian reform law was handed over to the former estate *patrones*. In 1,512 cases the entire estate was returned. In other cases former

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estate owners could apply for the equivalent of 200 irrigated acres, invariably the best land of the *asentamientos*, in exchange for the cancellation of the government's debt of compensation for the earlier expropriation. Another 30 percent of the 20 million acres worked in 1973 as cooperative farms were auctioned off to private buyers. The remaining 33 percent of the land was parceled out into plots to be paid for over a number of years. Seven percent of the land is held by the state.

The junta boasts that, unlike the Christian Democratic and Popular Unity governments, it has assigned land titles to individual peasants. Technically the members of the *asentamientos* of the Allende years did not receive individual land titles. "They have sought to erase the image that it's possible to work in common," one 47-year-old former campesino leader told me. Moreover, by handing back lands and by individual titling, the junta sought to divide the campesinos against themselves. For at least a third of the *asentamiento* members have been excluded from getting a land parcel. The junta sought to co-opt the other two thirds by making them think that they too are now landowners.

By what process did the junta decide who were to receive the parcels of land? First, a military-appointed commission came and decreed how many parcels "capable of supporting a man and his family" could be made out of what was left of the *asentamiento* after restitution to the former *patrones*. The number of parcels to be assigned was invariably fewer than the number of cooperative members. Then it was announced that those wanting a parcel should apply to the authorities and compete by a point system.

The system assigned points according to years of schooling, number of children (single people were disqualified), aptitude for agricultural work, and entrepreneurial capabilities. The system pretended to exalt "technical criteria" over "political criteria." Yet any prior involvement in the management of an *asentamiento* merited negative points. The infamous Decree 208 disqualified from ever owning land all those who had *ever* participated in strikes, land seizures, and other conflicts with *patrones*.

Decree 208 unleashed the most hateful ratting and other

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forms of revenge and division in the history of the Chilean countryside. People perceived themselves in a life-or-death predicament. Conversations I had with campesinos and transcripts which I had read of dozen of hours of interviews with campesino leaders always mentioned this bitter experience.

Many pointed to the special role the *patrones* played in the whole outrageous system. They collaborated with the intelligence services to list those to be excluded by Decree 208. Included in the competition for parcels were non-*asentamiento* members—truck owners, local shop and other business owners, former administrators of the estate, and relatives of former *patrones*. The *patrón* had the *sole responsibility* (independent even of any commission) to grade non-members of an *asentamiento* who had once been his employees. Many have charged that the *patrones* worked to get approved only "their men" who reportedly later leased their parcels back to the *patrón*.

The entire process of candidate grading was secret, but the general fear in the countryside (particularly because of Decree 208) prevented anyone from speaking out. Appeal to the commission was theoretically possible but, as one campesino—with 40 years' work on the *fundo* and now deprived of land—told me, "No one would be so foolish."

Previous government credits had made it possible for the *asentamientos* to obtain a good deal of agricultural machinery. The junta, saying that it wanted to free agriculture from state control, ordered all the machinery to be publicly auctioned. Naturally, those able to buy, even at the bargain prices, were not the *asentamiento* members, but large entrepreneurial farmers, local businessmen, and even some city-based speculators. Commenting on seeing some *asentamiento* members watching their tractors and implements auctioned off, a country priest told me, "It's as if the military wanted the campesinos' last experience of the *asentamiento* to be the saddest of all."

Near Talca I visited a number of former *asentamientos*. One, not atypically, had supported 23 members and their families during the Popular Unity years. "Normalization" and "consolidation" on this *asentamiento* meant giving part of the land back to the former estate owner (who lived in Santiago) and dividing the rest into 11 parcels. Six of these parcels went to

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non-members of the *asentamiento*—a gasoline-station owner, a baker (who wanted a small dairy farm for providing cream), and the former administrator of the pre-reform estate plus three of his relatives.

I learned the history of a nearby former estate. Under the ownership of a Chilean living in Switzerland, it had 38 resident families as employees (*inquilinos*). Under the Popular Unity government, the workers had organized to demand reform, as was especially common in the case of absentee ownership. In 1970 the *asentamiento* was created with 62 members and soon became known for its productivity. But with the counter-reform, a large prime part of the estate was taken from the workers and returned to the Chilean in Switzerland. She, in turn, without ever returning to Chile, sold to a group of Santiago investors who put the land into pasture and are raising cattle. The remaining land was divided into six parcels. Eight of the 38 *asentamiento* members were disqualified by Decree 208. Of the 30 remaining, only four received parcels, the other two going to the former administrator of the *fundo* and his son.

Another former estate which had been turned into five *asentamientos* was cut up into 90 parcels for which 161 people applied. One third of these parcels were given to people who had not been part of the former *asentamientos*. In the Rancagua area, a group of 5 *asentamientos* was turned into 44 parcels, 14 of which went to non-*asentamiento* members. In the same zone, on another *asentamiento*, 17 persons were disqualified by Decree 208 while 13 outsiders, including 2 butchers, received parcels.

The Sacrosanct "Laws of the Market"

Central to the junta's stated ideology is an article of faith: open competition without any state intervention will achieve the maximum of efficiency. The so-called "laws of the market," the junta decrees, should rule. In no other country in the world is schoolbook capitalism being so fully experienced. And for that, much credit should go to the University of Chicago's Milton Friedman and his Chilean students, who now figure prominently among the junta's chief economic advisors.

In agricultural production and commerce there has been

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a dramatic withdrawal of the state. Compared to 1973, there are now fewer than half as many public employees in agriculture. And in real terms the agriculture budget has been reduced to one fourth. Moreover the state has handed over to private enterprise such functions as technical assistance to farmers and has sold to private corporations the great majority of public enterprises that marketed and processed agricultural products.

There is one big exception to this withdrawal. The state does support agricultural exports. Exceptional low-interest credits for export producers and agricultural export investments (9 percent compared to roughly 30-60 percent on the open market) is one example.

In late 1977 the junta, following the free-trade norms of the Milton Friedman school, sought to throw local producers into open international competition by virtually eliminating significant tariffs on agricultural imports. Likewise, domestic price supports were virtually eliminated. Beginning in 1978, the government ceased to make purchases on the agricultural market as a mechanism to support prices. (There is still a very limited exception in the case of milk, due to the sustained protests of dairy farmers that milk products were being dumped on the international market through heavy subsidies from the governments of the principal dairy-exporting countries. In October 1976 a specific duty of $300 per ton on imported powdered milk was decreed, despite the free-trade rhetoric.)

Finally, the junta has removed virtually all controls on consumer food prices. Free competition, says the junta, would keep food prices under control. In October, 1977, the price of bread was "liberated." Over the next 11 months the price rose 83 percent while the official (conservative) overall inflation rate was 36 percent.

Illusory Rewards of Ownership

There are approximately 49,000 parcels in the junta's "reform" sector. While a very few have been lucky enough to acquire an already established vineyard or orchard producing for export, the great majority of the campesino recipients are having tremendous difficulties holding on to the land. They have little or no equipment or other forms of capital. They are

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understandably afraid to borrow money with real interest rates, i.e., adjusted for inflation officially estimated at almost 60 percent, and they are without much technical and entrepreneurial training, and without government assistance. And, as one rural anthropologist told me, "*Parceleros* are beginning to learn the problems of working alone—how long it takes to go into town for one can of pesticide."

An unemployed and obviously underfed 64-year-old campesino union leader summed up the situation this way: "Look, most campesinos didn't go through the process of applying for land just to sell it, let alone to the *patrón*. But a peasant feels helpless in the face of the tremendous problem it means for him to exploit his parcel, to have to deal with banks and with the *comerciantes*. He doesn't know how to manage; he doesn't have an entrepreneur's abilities to confront the new responsibility. Credit is so costly and, in short, everything gets to become a problem. Thus, it appears best to sell."

Many expressed the opinion that the sale of land amounts to yet another, however disguised, restitution of land to the *patrones*. A national Christian Democratic campesino union leader questioned what sense there is to all the junta's rhetoric about giving actual land titles to campesinos if only a couple of years later their plight forces them to lease for 99 years, becoming at best hired hands or sharecroppers on their own land. Many *parceleros* in fact have sold their land, usually to nearby *patrones*. Since often a campesino has to reach the extremes of desperation before parting with his land, it is only now, many observers noted, that sales (often in the guise of 50- or 99-year leases) are mounting. The owner of one estate I visited has already acquired the rights to 7 of the 8 parcels adjacent to the land returned to him.

Those *parceleros* still holding on are concentrating on traditional subsistence crops (like potatoes) that require the least capital. They are forced to use backward technology—for instance, poor-quality, unimproved seeds. Add to this the decline in real prices precisely for these traditional crops. Lower prices reflect both that more campesinos are growing these basic goods and that demand is falling, due to the drastic impoverishment of the country's general working population.

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Moreover, many parcels have a labor-surplus problem. That is, those with some land are allowing those who were displaced and deprived of land by the agrarian counter-reform to work even when their labor is not really necessary. Relatives of many *parceleros* work for them in exchange for a little food and clothing; because they are not legally employed, they are totally ineligible for any accident, health, or old-age benefits.

The Real Beneficiaries

In sharp contrast to these *parceleros* are the capitalist entrepreneur farmers in the rich central zone. The junta's agrarian policies have not promoted a return to the giant *haciendas,* but to modernized farms, generally of from 100 to 500 irrigated acres, with sizable capital investments. In some cases cheap purchases at auction of *asentamientos'* machinery helped to further capitalize these farms' operations at an exceptionally low financial cost. Some owners have put their prime land into pasture—both as a holding action and to take advantage of high meat prices. A few others with sizable amounts of capital have launched highly modernized production of a nontraditional crop like rice. One such agronomist manager I met calculated the net profit at $325 an acre with excellent yields of 2.5 tons per acre.

The overwhelming tendency of these farms in the central valley is to specialize in production for export. This is logical, given the depressed local market, due both to policies that impoverish so many Chileans and to the flooding of the local market with cheap, imported products such as wheat and sugar (more on this later). These entrepreneurial farms are moreover responding to a whole series of junta policies that favor export. They include the removal of all export restrictions, a notoriously favorable exchange rate, and credit at an annual real rate (adjusted for inflation) of only 9 percent for investment in fruit trees, table-grape vineyards, wine vineyards, and cattle. The junta offers this credit thanks to sizable loans for that purpose from the World Bank and the Inter-American Development Bank.

Many of Chile's central valley modernized farms are investing in and producing table grapes for the U.S. market.

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Since Chile's seasons are the opposite of those in the United States, these commercial farms are able to produce fresh grapes at a time when California and New York cannot. What's more, there is no competition as there would be in the case of many vegetables which the United States now imports from Mexico.

I saw numerous farms with one- to three-year-old installations, and I was able to visit one extensively, 45 minutes from Santiago. There the manager, an agronomist, ran a highly modernized operation for which he received bonuses from the investor in relation to production. He estimated the investment on the farm at $700,000. The investor is a Santiago banker who also enjoys having a country place to visit on Sunday afternoons.

Many commented that these modernized farms reduced the number of permanently employed by relying instead on day laborers for peak periods. When I questioned why investments in labor-displacing machinery would be favored despite the pitifully low wages, I was told that perhaps it's a combination of trying to emulate the U.S. model and the basic fear of labor discontent and desire for land.

Further to the south, farms of similar size do not have climatic conditions needed for high-profit food-export items, and therefore must orient their production toward the internal market. Although more than a few are going into cattle production, they are in general forced to compete with low-priced imports such as U.S. wheat. As a result, many reduced the planted area, used fewer inputs such as fertilizer, and therefore have produced less. The net effect is a quite generalized de-capitalization (e.g., reduction in production equipment, poorer quality seeds) and a decline in the employment of both permanent and seasonal workers. Despite opposition to the Popular Unity government and their enthusiasm for the crushing of campesino movements, and of course for the restitution of much of their land, these owners, some observers suggest, are increasingly discontented with the junta's policies.

Fate of the Minifundistas and Landless

In addition to the "reformed" *parcelas* and the capitalist, modernized farms in the central valley and the south, there are the *minifundistas*. These are traditionally very small landholders

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who have survived on their own meager production and by selling their labor to nearby large estates during the harvest season. These *minifundistas* are ever more impoverished by the same forces hitting the *parceleros* described above. They also face a generally diminished demand for labor on the modernized farms, both in the south and in the central zone.

Now added to the *minifundistas* searching for work are the landless—at least 30,000 campesinos and their families whose land was taken away by the junta's counter-reform—as well as, in some areas, unemployed urban workers. The plight of the landless is desperate. Unemployed or underemployed, they are in no position to negotiate their pay. Moreover, with numerous decrees strangling any union activities, wages are set individually which, as two young landless laborers told me, "lets the *patrón* impose conditions that just a few years ago would have been unacceptable." When they do find a job, they now work "from sun-up to sun-down," in contrast with the limits to working hours set by the Allende regime. Doubtless the junta's policies, particularly and with an increasing vengeance, will work against those who are not young and strong. Seniority counts for nothing. And, as temporary workers, most are not covered by sickness, accident, or old-age benefits.

In short, the imposition of the doctrinaire economic model of the junta is causing large groups of the rural population to see their standards of living violently deteriorate. Yet two rural sociologists told me that the unprecedented misery of so many rural people has not resulted in a notable migration to urban areas. The campesinos know, I was told, there is no work in the cities; and without money, food, housing, even clothing, survival in the city is even harder than it is in the countryside.

Has Counter-Reform at Least Increased Production?

Consider the 14 traditional crops that together account for 80 percent of the cultivated area—wheat, oats, barley, rye, green beans, lentils, chickpeas, peas, potatoes, corn, rice, rape oilseed, sunflower, and sugar beets. Over four agricultural years between 1974-1975 and 1977-1978 there has been an alarming *drop* in production (with some recovery in the exceptionally perfect weather for grain crops in 1976-1977). Part of the rea-

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son for the production decline is that the total area cultivated to these 14 crops decreased 125,000 acres with a notable decline in yields. The area planted to cereals (wheat, oats, barley, and rye) diminished 300,000 acres or 15 percent. The brusque insertion of Chilean agriculture into the international marketplace means local producers find they cannot compete against cheap grain imports from the United States, Australia, and Argentina. Similarly, the area in oilseeds and sugar beets has declined 62,500 acres, or 25 percent, due to the fall in international prices.

The case of sugar beets is particularly dramatic. In August 1977, the producers met and declared they would be forced out of business by current, abysmally low, international sugar prices. In fact, 63 percent less area was planted to beets in 1978, with the result that, whereas in 1977 Chile was self-sufficient in sugar, 250,000 tons were imported in 1978.

On the other hand, the cultivation of certain legumes for which there is an export market has expanded—175,000 acres, or 70 percent, between 1974-1975 and 1977-1978. They are exported, for instance, for consumption in Brazil where soybeans for cattle feed have become dominant and where the Brazilian government can outbid the hungry working people of Chile.

Yields in the 14 principal annual crops have been adversely affected even more than the area planted. Taking the yields of these 14 crops in 1970 as a standard index of 100, the index in 1965 was 88; in 1971, 103; in 1973, 88; in 1974, 95; in 1975, 93; in 1976, 76. Agronomists I interviewed are convinced that declines have been accelerating. The deterioration in yields is unquestionably attributable to the previously discussed decapitalization, especially of the small holders, but also of some of the larger farms in the south. The credit costs and low prices for most products (because of cheap imports and depressed local demand) mean peasant farmers must sow seed of low quality and forego fertilizers, pesticides, and herbicides in a country where such inputs were once considered normal.

Fertilizer sales for all crops in 1977 were only half, and possibly less, what they were in the last year of the Popular

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Unity government, and considerably less than even the mid-1960s. (The use of phosphate fertilizer has fallen 45 percent since 1973; nitrogen 60 percent.) Many farmers still cannot afford fertilizers even with the sharp drop in prices beginning in 1976. Pesticide sales are down 30 percent for the same period. The use of improved wheat varieties fell by 80 percent between 1975 and 1977, much greater than the fall in the area planted.

The Export Boom

The production picture is dismal only when one looks at the many crops basic to the diet of ordinary people. Export crops, on the other hand, are experiencing sustained increases in area planted as well as in yields—especially table grapes, wine, fruits (peaches, apples), and to a lesser extent certain specialty crops like onions and garlic.

In contrast to the sector producing for the internal market, the export sector seeks to operate with the most sophisticated labor-displacing technology. Such installations require not only great amounts of capital but also a climate such as that of the central zone. These modern operators dump 30 to 50 percent of production, the part not suitable for export, on the local market. This dumping is beginning to ruin the poor farmers who produce some of the same products for the domestic market.

The total value of agricultural exports has expanded from $26 million in 1973 to $159 million in 1977 and a projected $198 million in 1978.

Imports For Some

In 1977 Chile imported $323 million in food products. The estimate for 1978 was $430 million. This compares to $165 million in 1970. But the impoverished rural majority see little, if any, of that food. Such increasing food dependency does, however, bring joy to the hearts of U.S. agribusiness. As the October 23, 1978, U.S. Department of Agriculture publication *Foreign Agriculture* trumpets, "Chile is Best Prospect as U.S. Poultry Market," praising Chile's "economic recovery" and "easing of import policies." The Commodity Credit Corporation of USDA in April 1978 granted $38 million in credits

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to Chile to import agricultural products, primarily wheat. This little-publicized move flies in the face of Congressional cut-off of economic assistance to the junta. It reflects U.S. government support to the junta's policy of throwing the Chilean countryside into the international market economy.

In sum, the Chilean military junta is doing what the Chicago economists prescribe, not only for Chile but also for the United States: "getting the government out of farming"; throwing the doors open to the market forces to "shake out the inefficient producers"; taking advantage of international "comparative advantages" by removing all barriers to agricultural imports and exports. In Chile we are seeing the clear results—an accelerating polarization in the countryside. At one end are the many, those who produce for the internal market; in the extreme, the poor producing for the poor:

- Thirty thousand families newly deprived not only of land but of the right to organize to defend themselves;
- individualized smallholders—the *parceleros* and *minifundistas*—deprived of capital, credit, assistance, and mutual aid, who must compete against each other for survival;
- larger landholders with little capital and geographically removed from the high-value export possibilities, left unprotected from imports from the world's largest (and often subsidized) producers.

At the other end of the pole are the few who have an ever more concentrated hold on capital, prime land in the central valley, and income. This is the world of agribusiness, of the rich producing for the rich: cattle for the Chilean minority who can afford meat; table grapes for affluent Americans, and the Chilean elite reveling in a tariff-free world of poultry and other food imports from American agribusiness.

Maintaining these policies, which perpetuate these two ever more unequal worlds in Chile, requires precisely the abolition of all political rights and a brutal military dictatorship. This is Chile today.

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BOOKS

GLOBAL CAPITAL, GLOBAL LABOR FORCE

By Gordon K. Lewis

Labor Migration under Capitalism: The Puerto Rican Experience, by the History Task Force of the Center for Puerto Rican Studies. New York: Monthly Review Press, 1979; 287 pp., bibliography, index, $15.00/£8•00.

Historically, capitalism uproots people. For the first three centuries of its dominion that uprootedness was regional, at times intercontinental—as with the African slave trade—in its character. The new component of the story in the twentieth century is that the cyclical movements of human populations have become, literally, global in character. As capital becomes global, so labor becomes global in the form of a massive migrant labor force, at once cheap, mobile, easily exploited, because much of it endures illegal status in the "receiving" societies—but yet at the same time potentially revolutionary. One of the chief merits of this volume by the young Puerto Rican scholars of the New York-based Center for Puerto Rican Studies is that, while recognizing the uniquely local, Puerto Rican character of Puerto Rican labor migration to the United States, it also at the same time sets the phenomenon clearly within the framework of the growth of global monopoly capitalism. What Marx termed "the collective power of masses,"

Gordon Lewis, a frequent contributor to MONTHLY REVIEW, is the author of several MR Press books. Among the most recent are: *Notes on the Puerto Rican Revolution* and *Slavery, Imperialism and Freedom: Studies in English Radical Thought.*

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instead of being merely a national phenomenon, now becomes truly world-wide in its implications.

Quite properly, this volume first analyzes, in careful statistical and analytical fashion, the peculiarly local factors that have generated Puerto Rican working-class out-migration ever since the 1870s. The first chapter of that century-long story belongs to Spain: a semi-feudal society never developing into a matured capitalism, characterized by predominantly servile relations of production, and forcing emigration into the neighboring Caribbean economies, as well as into the United States—where Martí cultivated the migrant workers, both Puerto Rican and Cuban, of the cigar-making industry in Florida. The second chapter is predicated on the American occupation of 1898, which generated a new, sophisticated, agrarian capitalism based on sugar, and also generated at once a new social division of labor and a new employer-employee relationship, both of which conspired to accelerate the emergence of a landless proletariat. The third chapter, after the Second World War, brought, of course, the new social and economic dislocations of a newly imported industrial capitalism, exploiting the cheap labor-reserve army and tax-exempt benefits for multinational corporations due to the U.S. connection.

The authors of this volume dissect, step by step, the accumulated consequences of all of these different stages. They see clearly that migration cannot be looked upon as a self-contained phenomenon, as many bourgeois migration studies seem to suggest; rather, it is structurally related at once to the colonial status of Puerto Rico and to its status as a tax-haven and cheap labor supply depot for certain segments of the modern capitalist system. Puerto Ricans do not just emigrate because—in the phrase used by Ravenstein in his celebrated address of 1885 to the London Royal Statistical Society—all emigrants leave in order to better their condition. They leave, rather, because they are forced to by a series of phenomena: the inability of the "Operation Bootstrap" policy to solve massive structural unemployment, the emphasis of that policy on capital-intensive rather than labor-intensive investment, the conscious intent of the local Puerto Rican governing groups to use emigration as a safety-valve (a method, in effect, of exporting the unemployment problem created by their own policies), the use by the same groups of the myth of "overpopulation" as a rationalizing ideology. Puerto Rico thus becomes a classic illustration of the colonial economy that exports people and imports commodities; in much the same way as it is also an example of the colonial economy that produces what it does not

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consume and consumes what it does not produce: all to the advantage of the U.S. branch-plant companies and the local Puerto Rican *comprador* class.

Certain other consequences flow from all this. (1) The fundamental crux of the total situation is economic. The authors of this volume do not waste their time in yet another recapitulation of the tired and sterile debate on political status. For them—and surely correctly—the basic truth is that, as they put it, there is a dual exploitation whereby the island worker is offered up as a prize to expanding multinational capitalism, and the migrant worker in the United States is offered up to the declining small-scale industrial sector, the squalid backwater of the national economy. (2) Culturally, Puerto Rico is a nation bearing all of the criteria that determine nationhood as set out long ago in Renan's well-known essay, *Qu-est ce que c'est une nation?* (What is a Nation?) The Puerto Rican presence in the United States, then, cannot just be seen as yet another chapter in the historic trek of earlier immigration, nor is it just another minority group struggling for its rights within the framework of an accepted American politico-constitutional system. It is, sometimes consciously, sometimes only half-consciously, a national liberation movement resting in the Puerto Rican collective unconscious. In this sense, Puerto Rico is to the United States what Quebec is to Canada. (3) So, mass immigration is at once cause and consequence of a tragically divided nation, separating the *patria*/homeland from the groups of the diaspora. True, the technology of cheap, rapid air communication makes it possible for the emigrant to return home easily and thus renew the ancestral roots; it is in this sense that, as has well been said, Puerto Ricans do not emigrate, they commute. But that has not stayed the process whereby the immigrant-person, subjected, sometimes brutally, to the pressures of the American acquisitive society, ends up with confused social values, language deterioration, personality disorientation, much of which could be assuaged had he the comfort of belonging to a proud, independent homeland. Once back home, indeed, he is, like all other Puerto Ricans, little more than a tenant on his own property. (4) Consequent to all this, the Puerto Rican struggle emphasizes, with theoretical correctness, the primacy of the national question. Even many sympathetic U.S. liberal and left-wing groups fail to understand this; as the authors of this volume bitterly remark, people who can chime in sympathetically with cries of "Black Power" will gag on "Viva Puerto Rico Libre." Unlike the British left, the American left has never had an intimate experience of colonial

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problems nor been involved with the struggles of the colonial peoples: there has never been anything comparable, say, to the old Fabian Society Colonial Research Bureau. The Puerto Rican dilemma offers them an opportunity to redress that fault.

There are two final comments. First, the volume properly notes the international aspects of the Puerto Rican emigration. But I, for one, would like to have seen those aspects developed a little more fully. Greater attention, in comparative terms, to the global emigration-immigration phenomenon would note—to take only one signal example—that whereas Third World immigration into Britain has been systematically curtailed since 1962 by successive restrictive parliamentary legislation, finally terminating the traditional idea of the Commonwealth *familia*, in the United States, by contrast, it has been opened up after 1965 by more liberal Congressional legislation, thus facilitating the so-called "new immigration" of Latin entrants. That, of course, is not due to American magnanimity. It is due, rather, to the fact that since 1945 Britain has been a contracting imperialism and the United States an expansionist imperialism. That is why, incidentally, all of those new Latin and Caribbean immigrants, including many of the Puerto Rican segment, still see the United States in the old heroic manner of the moving lines of Emma Lazarus at the base of the Statue of Liberty, as the haven of the oppressed. Any movement that seeks to revolutionize those groups will have to take that attitude into consideration.

Secondly, this volume, like much of contemporary social science literature, has at times an air of abstract impersonalism about it. There is a type of literature that sees slavery but not the slave, imperialism but not the imperialist, immigration but not the immigrant. I admit that the main purpose of the authors of this volume has been to establish clearly defined theoretical premises, because without a theoretical foundation you cannot fully understand the inchoate mass of data presented by the report of experience. Yet, at the same time, we need at times to see the face behind the archives, to hear the voice of the victims themselves. The great novelist can do that; that is why we go to Steinbeck's *Grapes of Wrath* in order to understand the tragedy of the 1930s' Okies, a classic illustration of exploitative internal migration. The imaginative sociologist can do it; that is why, despite the temptation of Oscar Lewis sometimes to mistake pornography for anthropology,

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and despite, too, his failure really to prove that there exists a "culture of poverty," his *La Vida* remains a rich documentary record of the Puerto Rican emigration tragedy, much of it set out in the words of the actor-victims themselves. The great poet can do it; that is why we turn to *The Arrivants,* the great poetic trilogy of the West Indian poet Edward Brathwaite, to understand fully the holocaust of the African slave trade to the Americas—the first great example of forced emigration in the modern post-Columbus period. We need the data. But we also need appreciation of the individual human suffering that lies behind the data. The chief sinner in all of this, of course, has been modern social science, compromising both bourgeois and Marxist practitioners at times. So, the best way in which I can express what I am seeking to say is to quote a remark of the late Professor Alfred Zimmerman, writing on the origins of British sociology some sixty years ago. "The difference," he wrote, "between the Webbs and Graham Wallas is that whereas the Webbs are interested in town councils, Wallas is interested in town councillors."

Yet, having said all that, there is a special and particular reason why the student of the Puerto Rican experience, indeed of the whole Caribbean experience, should welcome this volume. I refer to the fact that in the post-1945 period scholarship on the region has been divided among three easily identifiable groups. In the first place, there were the North American academicians. Many of them were, still are, genuinely concerned with the plight of the Caribbean folk-peoples. But too many of them, at the same time, were simply in search of raw material for doctoral dissertations, victims themselves of the "rat race" of the American academic career structure. Secondly, there were the resident intelligentsia of the regional universities, notably of the University of Puerto Rico and the University of the West Indies. Their chief defect was that they suffered, as many of them still continue to suffer, from a pronounced temper of *insularismo;* and in the particular case of the University of Puerto Rico there were only a few of them who looked outside of the heliocentric island view to study the new phenomenon of the Puerto Rican emigrant abroad—Eduardo Seda Bonilla, Elena Padilla, Manuel Maldonado Denis. Finally, and in the third place, we now have the contribution, as in this volume, of the regional academic and professional exiles, younger scholars raised and educated in the imperial metropolis,

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living—in Martí's famous phrase—in the entrails of the monster. They have a large vision; they know the enemy at close quarters; they are fluently bilingual, an absolutely necessary tool for a full understanding of the total metropole-colony situation; their training in Marxism has taught them how to surmount the temper of insular myopia that so frequently afflicts those who stay in the islands; and so, finally, they manage to bring a fresh viewpoint to the study of the Caribbean tradition and reality—Juan Flores' recent study of the figure of the Puerto Rican writer Antonio Pedreira being only one recent example.* We ignore what they have to say at our peril.

* Juan Flores, *The Insular Vision, Pedreira's Interpretation of Puerto Rican Culture,* Working Paper I (New York: Center for Puerto Rican Studies, 1978).

ACTION FOR WOMEN IN CHILE

(AFWIC)

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WASN'T THAT A TIME?

By Annette T. Rubinstein

Something to Guard: The Stormy Life of the "National Guardian," 1948-1967 by Cedric Belfrage and James Aronson. New York: Columbia University Press, 1978. 365 pages, indexed, illustrated, $19.95.

Heeding the well-tested adage that no committee—not even a friendly committee of two—can create a real book, Jim Aronson and Cedric Belfrage, the surviving founders of the *National Guardian,* have written this one in alternate chapters, each in his own idiosyncratic voice. The resulting 365 pages are dedicated to the memory of John T. McManus—"the third man." Jim explains the description by quoting a classic sports definition of the third man as "a player first in the line of defense." Jack McManus, a former president of the Newspaper Guild, is indeed a sustaining presence throughout the first 320 pages, and a realization of his absence after a fatal heart attack in 1961 is vital to an understanding of the internal problems which developed during the last six years of the original *Guardian.*

George Bernard Shaw once said of himself that "a thorough biography of any man who is up to his chin in the life of his own time . . . is worth writing as a historical document. . . ." This is clearly all the truer of such an institution as a radical newspaper whose story is indeed a history of its time. That story as here recounted begins even before the inception of the *National Guardian,*

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with the meeting of Belfrage and Aronson in occupied Germany where the two men, both veteran reporters, were briefly empowered to set up a number of newspapers with such native anti-Nazi journalists as they could find.

Dizzied with triumph at the realization that they had there established, if only for the moment, a "journalism run by journalists" that was *not* "a business like any other" the new friends demanded of each other, "Why should only German journalists get the chance to go straight? Why not an honest paper in America?"

The next three brief chapters describe various absurd and heartbreaking attempts to secure the proverbial shoestring—a series of fortunate and unfortunate accidents played out against the somber backdrop of an increasingly cold Cold War atmosphere, in which affluent erstwhile radicals became increasingly adept at finding rationalizations for noninvolvement. Relations with the Progressive Party leadership; with V. J. Jerome, the "cultural commissar" of the Communist Party; with Congressman Vito Marcantonio, head of the American Labor Party—the only organization to give substantial support to the struggling new periodical— are all rapidly summarized here. (Many are, of course, further developed later.) Vividly recollected, these early tribulations are presented with wry humor and a grateful emphasis on the few individuals who did come forward with generous help. Memories of an ephemeral series of inept administrators and business managers who held brief tenure, leaving voluntarily or involuntarily before Jack McManus came to stay, provide a characteristically left comedy of errors. By the end of the third chapter we have also met the five women and eight men who, in addition to the three editors and their dedicated landlord-printer, Vic Levitt, composed the inner *Guardian* family.

The comparatively long fourth chapter, "The Extended *Guardian* Family," not only gives us intimate glimpses of such well-known figures as Harry Bridges, David Dellinger, W. E. B. DuBois, Julio Alvarez del Vayo, Maxwell Geismar, Fanny Lou Hamer, William Kunstler, Staughton Lynd, Agnes Smedley, Anna Louise Strong, and Konni Zilliacus but also introduces us, through quotations from the *Guardian* mailbag, to many unknowns—courageous, concerned, intelligent, and, often, witty men and women from over 125 communities in 43 states, some 50 of them resident in towns with populations of fewer than one thousand. For those isolated winter soldiers the *Guardian* was truly an intellectual and emotional lifeline, and many made a willing sacrifice of badly needed dollars to maintain it; this was too often followed by the

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less voluntary sacrifice of reputation and even employment when their subscriptions to this radical journal were illegally publicized by FBI-inspired postal authorities. The lifeline worked both ways; the beleaguered editors were, as Jim Aronson says, "rediscovering America."

However the next two chapters—"High Winds from the East" and "The First Asian Crusade"—are introduced by Cedric Belfrage's comment that they generally felt less like Columbus than like the Jumblies "who went to sea in a sieve." The storms which threatened their precarious bark came not only, as expected, from the right but also, unhappily, from the left. The defection of liberal Progressive Party notables, led by Henry Wallace, at the outbreak of the Korean war was not surprising when, in 1950, even I. F. Stone accepted Washington's account of Soviet aggression in Korea. But the editor's insistence on maintaining neutrality in the emerging cold war between Moscow and Peking and their attempts to get a fair hearing for Anna Louise Strong—condemned without question by almost all her old friends, colleagues, and supporters when she was expelled on unspecified charges of espionage from the Soviet Union—led to sharp attacks by the Communist Party and its adherents. (The charges were withdrawn with no explanation and little publicity in July 1955.)

Jim Aronson quotes, as a typical response to one of the many personal appeals he sent out, a letter from Joseph Starobin, then foreign editor of *The Worker*. The letter concluded: "I don't think the broadening of the progressive movement requires any different treatment of Miss Strong than the one which logically follows upon her expulsion from the Soviet Union. That's my view." This was filed with Jack McManus's marginal annotation: "Tecumseh has spoken. Ugh!"

Less controversial was the *National Guardian*'s fight against racism, largely implemented in its struggle against the legal lynching of blacks at the beginning of an era which saw "the law taking over from the mob." Even here, however, there were significant differences with more orthodox leftists, who were still using the slogan "Self-Determination for the Black Belt" and were sharply critical of such realistic dialect satire as Langston Hughes used in his "Simple Says" or the *Guardian*'s columnist, the Missouri sharecropper Owen Whitfield, used in his "Cotton Patch Charlie."

Chapter 7, chronicling these engagements, also describes two "black, young and gifted" staff members, Louis Burnham and Joanne Grant, and tells of the always close and rewarding relationship with the incomparable Dr. W. E. B. DuBois.

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The next three chapters on the intensifying police-state atmosphere and the increasingly vicious persecution of all dissidents naturally includes the story of some of the victims whose defense was aided, and in many cases initiated, by the *Guardian*. Prominent among the latter were, of course, the murdered Rosenbergs and Morton Sobell. Attacks on the paper itself mounted, culminating in the finally successful official drive to exile its editor-in-chief, Cedric Belfrage. Somewhat naively, Jim Aronson was evidently surprised that former liberal or radical colleagues of the fourth estate showed no more courage than did most other professionals when threatened by the un-American Activities Committee. However he remarks with justified pride that the *National Guardian* was one of the very very few left institutions which produced not a single informer or Judas.

"Life Without Father" and "Editor-in-Exile," chapters 11 and 12, by Cedric Belfrage, give a picture of the continuing harassment and difficulties suffered by the two remaining editors at home while their banished comrade, thanks to his British passport, was afforded considerably greater freedom of motion and association. His accounts of explorations, meetings, and adventures in both the "free world" and the East substantially enriched the *Guardian's* pages, and his contacts enlisted many other valuable correspondents from far corners of the globe. An amusing footnote here tells of Cedric's attempt to fly from London to Havana, an itinerary which necessitated his changing planes at what was then Idlewild airport, in New York, and walking a few feet on American soil. Held incommunicado for four hours while long-distance calls and telegrams went back and forth to the State Department, the immigration authorities, the Department of Justice, and others, he was finally deported on a return flight to London from which he took the next plane to Cuba via Madrid. In contrast to Truman's United States, Franco's Spain courteously afforded him uninterrupted transfer and passage!

After 1960 the new national spirit initiated by the black freedom movement and by youthful protests against the Vietnam war greatly lessened the danger of rightist attacks; but growing divisions on the left began to erode unity within the *Guardian* itself. These included such differences with the "old left" as the paper's support for independent political action vs. a position backing the "lesser evil" of the Democratic Party, and the paper's editorial on the incontrovertible evidence of recurrent anti-Semitism in Poland. More destructive, however, were growing tensions with young staff members who considered themselves part of a somewhat amor-

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phous "New Left." With Jack McManus's sudden death in November 1961, these storm signals reached catastrophic proportions.

Jim, the sole surviving member of the triumvirate in residence, found himself working with an almost totally new, largely inexperienced, and somewhat anarchic group. His temperate summation of the background to "Entrances & Exits" (chapter 16) reads:

As the 1960s wore on, job applications poured into the *Guardian.* Some of the older people were leaving mainly for economic reasons, and several younger ones were hired. My own aim had always been to attract young people who might be trained for a future with the paper or elsewhere in radical journalism. We neither had nor wanted a monopoly. The new members caused a sharp decline in the average age of the staff and a concomitant rise in conflicts between older hands with political experience of another era and younger hands without political experience of any era, but with strongly held views of present and past politics. . . . often, too, seemingly high-minded ideological positions served as a cover for lower-minded personal grievances and power ploys clad in the canonicals of politics.

During this period Cedric was bombarded with letters from new staff members urging his support against the editor-in-residence. In a postscript to this penultimate chapter he says:

As I watched from afar the "New Left" coming to the boil against the "Old Left," I had gray presentiments about its effect on our citadel of *Zusammenarbeit.* . . . I was especially baffled by the fusillade against Jim with regard to over-long articles and lack of humor. "Is it suggested," I wrote, "that the *Guardian* writers are turning in short pieces which Jim then proceeds to lengthen, or humorous pieces from which he removes the humor?" Who but those who wrote the pieces were complaining? Yet such criticism from anyone else would have had validity. In these and other areas the paper's quality had been dropping. The reason was that many of the staff were on a semi-sitdown and leaving too much in Jim's harassed, overloaded hands.

Neither Jim's general summary nor Cedric's comments above really deals with one important episode which is synopsized in less than a page and a half—Russ Nixon's three-year association with, and forced resignation from, the paper (1962-1965). Aronson does not, I think, treat this painful relationship, or Russ himself, as fairly as he does every other difference, and violates his own scrupulous journalistic standards by giving as facts personal interpretations of ambiguous situations and controversial ascription

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of motive. This caveat is of very little importance in any overall evaluation of the book but must, I feel, be noted since Russ is no longer here to speak for himself.

The final chapter, "Autopsy," briefly indicates something of the history of radical journalism in the United States since *The Appeal to Reason*. It voices the authors' cautious optimism for a resurgent "revolutionary" movement, and stresses their belief in the vital role of a radical press, nondivisive and domestically centered, in building such a movement. Perhaps it is unavoidable that any such conclusion, dealing with hopes for the future, should sound rather abstract and hortatory in contrast to the sharp reality of concrete history in the preceding 336 pages.

Certainly the interest and value of the book lie in the factual story of a unique undertaking which managed to survive against overwhelming odds, turning the scantiest of means to such extraordinarily good account. Both writers have clearly taken to heart Othello's directive—"Nothing extenuate nor set down aught in malice"—and have given us a fair, most instructive, account of weaknesses as well as strengths, of failures and triumphs.

I say "the interest and value of the book." The former is self-evident. The latter is perhaps best evidenced by the attempt of the commercial press to bury it. *The New Republic* (on February 17, 1979) was one of the few "liberal" periodicals to review the book. There Ronald Radosh (now notorious for his dishonest article on the Rosenbergs which disgraced *The New Republic* on June 23) devotes more than a thousand words to informing his readers that the *Guardian's* former editors were and are unrepentantly slavish followers of the American Communist Party and, therefore, active supporters of Stalin's "internal social order" and "Soviet totalitarianism" and that the present history is altogether "a failure . . . an apologia for their own past positions." Relying perhaps on the cost of the volume to prevent any significant number of readers from checking his review with the original, Radosh does not, except for an introductory paragraph on Belfrage's deportation, even hint at any of the vital domestic issues and events which occupy well over nine tenths of its pages. The fact that Aronson's earlier work, *The Press and the Cold War,* and Belfrage's *The American Inquisition* (still the best single account of the entire so-called McCarthy period) were similarly ignored makes it doubly important that young people see this honest and readable account of recent history told "from the bottom looking up."

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CORRESPONDENCE

MORE ON CAPITALIST AND SOCIALIST URBANIZATION

By Hans Blumenfeld

Belated thanks for your printing of my remarks on "Urban Planning in the Soviet Union and China" in MR of June 1978, and for your thoughtful reply in the same issue. I will deal with the points raised by you together with those made in Charles Hoffmann's critique in MR of December 1978.

I have now had the opportunity to visit China twice, in June 1978 for 17 days as a tourist and in February 1979 for 12 days as a guest of the Chinese Union of Architects. These visits confirmed the two main points made in my previous letter.

First, neighborhood activity and cohesion are not significantly influenced by the physical setting. Second, urban population is more heavily concentrated in very populous metropolitan areas in China than in the Soviet Union and most other East European countries. In view of the universal transformation of the "city" into a much more extensive metropolitan area, only the latter is a significant unit. It is the declared goal of the Chinese government to limit the growth of these units, not just that of the central cities; and it is greatly to its credit that it attempts to guide the growth which is occurring into comprehensively planned "satellite towns."

The use of the metropolitan area as the valid unit of measure-

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ment and comparison encounters two conceptual problems. First, the boundary is not clearly defined. Second, all metropolitan areas contain many settlements which are classified as "rural." In the United States and Canada the distinction made by the census between "rural-farm" and "rural-nonfarm" population shows that the former accounts for only a negligible portion of total metropolitan population. The same is probably true for the Soviet Union, but not for China.

The Shanghai area of some 6,000 square kilometers and the Moscow area of some 13,000 square kilometers each have a population of 11 million. Of those, in Moscow 8 million live in the 875 square kilometers of the "city," most of the balance in old or new "satellite" towns. In Shanghai 5.5 million live in the mere 60 square kilometers of the "city" and about one million in satellite towns; the remaining 4.5 million are classified as "rural," as are 3.5 out of the 8 million population of the Peking area.

It is not known how many of these are engaged in farming. However, two points made by my Chinese informants indicate strongly that most of them are "rural-nonfarm." First, rural population density *outside* the metropolitan areas is much lower. Second, in a satellite town of about 60,000 population near Shanghai I was told that over two thirds of those employed there were not residents. Some of the commuters come from the "city" of Shanghai, but most come from the "rural" area; they are "rural-nonfarm." Therefore I consider my estimate of about one million farm population in both the Shanghai and the Peking areas, while not demonstrable, not to be "fanciful." I also learned that the inhabitants of the "villages" engaged in agriculture work the year round *exclusively* in agriculture, and those engaged in industry, including commune-owned industry, work *exclusively* in industry.

To return to the main question of concentration of the urban population. The population of China's primate city, Shanghai, may indeed be somewhat lower than that of Moscow. However, the population of the second largest, Peking, definitely far exceeds that of Leningrad. In the Soviet Union in 1978 there were 15 cities with a population over one million, in China there were 26 in 1976—out of a total of about 160 million in both cases. In the Soviet Union, in addition to Moscow and Leningrad, only Kiev had a population of (slightly) over two million; in China there are at least six with populations over two million, some of

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them over three and four million: Tientsin, Canton, Chungking, Wuhan, Nanking, Shenyang.

My Chinese informants also confirmed that the growth of these large cities continued after 1959, with net migration gains year after year.

My interest in city size distribution is primarily comparison between capitalist and socialist countries. The evidence is clear: concentration is less in Comecon countries than in "developed," and less in China than in "developing," capitalist countries.

So much for the facts. More important for North American Marxists concerned with urban affairs is the evaluation of metropolitan concentration in the United States and Canada. As I noted, most Marxists share the preference of their urban counterparts for "decentralization." The reasons of non-Marxists need not concern us; most of them are simply more or less elegantly dressed-up expressions of fear for the stability of capitalist "social order." The reason given by Marxists is, regrettably, even simpler, and non-Marxist: *ipse dixit,* Marx and Engels have said so.

It certainly is remarkable that the "founding fathers," who consistently brushed off challenges to specify the image of communist society, were quite specific as to its population distribution: distribution of industry over the entire territory and gradual disappearance of big cities. They were equally specific in saying why they expected and desired this. They gave three reasons: (1) elimination of the "idiocy of village life"; (2) elimination of pollution of air, water, and soil; and (3) universal participation in agricultural work for the all-around development of every human person.

It is my contention that all three reasons have lost their validity for North America—not necessarily for China—because of unforeseen changes. First, while a lot of idiocy can be found on our farms, it is of the kind distributed by the metropolitan idiot box, not of the kind caused by isolation, which Marx had in mind.

Second, the pollution which concerned Marx was smoke and fly ash in the air, human and animal excrement in the water, and scraps of food and of products made of fibers, leather, paper, or wood in the soil. All these pollutants are "degradable," that is, they are recycled by natural processes if exposed for sufficient time to sufficient quantities of air, water, and soil bacteria. This could be achieved a century ago by dispersal. Today pollution has increased enormously in both quantity and quality. Proportionate amounts

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of air, water, and soil cannot be brought to bear on the vastly increased quantities of "conventional" pollutants before they reach settlements of human beings, which have tripled in number since Marx's time. Even more important, there are now many new pollutants which are not degradable (or only very slowly so), such as heavy metals, various sulphur and nitron compounds, and plastics; these cannot be recycled by natural processes, but only by a great variety of highly sophisticated industrial processes. Almost all of these involve decisive economies of scale, not only in terms of installations, but also in terms of highly specialized persons to operate them. These can be—and are being—best developed in major metropolitan centers.

Third, when Marx developed his thoughts, even in England the majority of the labor force was employed in farming. Today farm work accounts for less than 5 percent of the U.S. labor force, and much of it is machine operation not different from that used in industry. This is hardly an adequate means for developing the human potential for caring for the slow organic growth of plants and animals through the seasons and years. Other means will have to be found for this purpose, perhaps collective gardening, starting in kindergarten.

I hope that these observations will serve to provoke discussion of the important problem of the North American metropolis.

Turning to the even more burning questions raised in Paul Sweezy's reply, I am in emphatic agreement with your two basic statements—in fact I have made them time and again for over 30 years.

First, genuine and therefore socialist economic growth is very different from "growth of the GNP."

Second, the decisive productive forces are human beings and the full development not only of their physical and mental, but above all of their moral, potential, i.e., their creative initiative and dedication to work "for the good of the people," to quote Mao.

While Mao certainly pursued this goal in calling for "politics in command," I see no evidence that it was aimed at redirecting the economy. It was aimed at giving priority to the "class struggle," understood as a struggle of the workers and peasants against the danger of the professional-managerial layer hardening into an arrogant ruling class. Mao was wise enough to see that such a struggle was bound to produce also "negative" results which he estimated at 30 percent. I am afraid that Mao was misled by his entourage

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about the real proportion of "positive" and "negative" effects, which probably was inverse. Certainly many thousands of able and dedicated people have been prevented for many years—some for ever—from doing the vitally needed work which they were able and willing to perform.

Therefore, while I accept Bettelheim's characterization of the recent turn in China as a "great leap backward" as literally true, I regard it as a leap backward out of a bottomless swamp which threatened to engulf the Chinese revolution. Whether it can avoid the negative consequences feared by Mao remains to be seen. As you know, I regard the tendency toward establishment of a new ruling class even in the Soviet Union as far from irreversible. Certainly in the German Democratic Republic, which I know somewhat better than I know the Soviet Union, the opposite tendency toward a genuine classless society seems to me to be the stronger one.

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	Average No. Copies Each Issue During Preceding 12 Months	Single Issue Nearest To Filing Date
A. Total no. copies printed	12,875	15,000
B. Paid in circulation:		
1. Sales through dealers and carriers, street vendors and counter sales	1,926	2,440
2. Mail subscriptions	7,628	8,175
C. Total paid circulation	9,554	10,615
D. Free distribution (including samples) by mail, carrier or other means	217	209
E. Total distribution (sum of C and D)	9,771	10,824
F. 1. Office use, left-over, unaccounted, spoiled after printing, returns	2,608	3,666
2. Returns from news agents	496	510
G. Total (sum of E and F—should equal net press run shown in A)	12,875	15,000

I certify that the statements made by me above are correct and complete. BOBBY E. ARTIS, Business Manager

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(*Continued from inside front cover*)
drew a much larger response than had been anticipated. By the time this issue reaches you more than 300 members of the Associates will have the information they requested about projected two-week tours to Cuba in January and February. Information about a China tour will be sent out by the middle of December to those who requested it.

As we write this in mid-October Harry Magdoff has just returned from Yugoslavia where he participated in an international conference on socialism in the world today (held at the resort town of Cavtat on the Adriatic). And Paul Sweezy is about to leave for a month in Japan where he will give lectures at several Tokyo universities and hopes to learn something about what is turning out to be perhaps the most interesting of the developed capitalist countries in the last decades of the twentieth century. (One of our Japanese friends goes so far as to say that if Karl Marx were writing *Capital* today, the most appropriate place to do it would be Tokyo!)

We will soon be launching a drive to get new subscribers and will be exchanging mailing lists with other left publications. If any of you do not want your names included, please let us know. Also if you are a subscriber to other left publications, you will be receiving one or more solicitations from MR. Suggestion: pass them along to non-subscriber friends along with an appropriate sales pitch.

One more bit of business: the label on the envelope in which you received this issue shows the expiration date of your sub. If it is last month, this month, or next month, you can help us and yourself by promptly sending in the renewal form on p. 62. Or, better yet, join the Associates (p. 27).

ANNOUNCEMENT

We are honored to announce that MR has received an anonymous gift of $500 to make possible an essay contest in memory of Michael Magdoff, who died in 1959 and would have been 40 years old on July 19th. Coming to maturity in the bleak political-ideological climate of the 1950s, Michael was a passionate defender of civil liberties and a dedicated partisan of socialism. Designed to reflect these concerns, the focus of the essays should be on the possibilities and strategies for developing a socialist consciousness in the U.S. working class. We are particularly eager for writers to draw on their own experiences in working-class contexts such as trade unions, neighborhood organizations, political caucuses (women, blacks, Third World people), consumer or environmental protection groups, and the like. Essays should be 5,000 words or less (none over this limit will be considered) and can be by individuals or groups. Entries by young workers and activists will be especially welcome. The deadline is May 15, 1980. The $500 prize will be awarded by a jury to be announced later, and any essay or essays accepted for publication in MR will be paid the usual fee for articles. Essays should be submitted in triplicate with the names and addresses of the authors on separate sheets of paper which will be revealed to the jurors only after they have made their selection(s).

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Monthly Review Press

Ujamaa Villages in Tanzania: Analysis of a Social Experiment by Michaela von Freyhold. In 1967, the peasants in Tanzania were called upon to form "socialist villages" in order to aid in the achievement of socialist development by raising productivity in the countryside. In this analysis of that experiment, based in part on first-hand field research, von Freyhold sets out to describe the response of both peasants and government staff to the program.
CL5120 $14.50/£7·85

Unity and Struggle: Speeches and Writings of Amilcar Cabral. Introduction by Basil Davidson. Biographical essay by Mario de Andrade. This book contains Cabral's most important speeches and writings, most of which have never before been available in English.
CL5104 $16.50/£8·95

Fighting Two Colonialisms: Women in Guinea-Bissau by Stephanie Urdang. Based on interviews made with women in Guinea-Bissau during two trips—one during the revolution, the summer independence was achieved, and one two years subsequently—Urdang presents a moving and highly informative account of the way in which one aspect of a revolutionary process—the liberation of women—meshes with the whole struggle.
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The Political Economy of Race and Class in South Africa by Bernard Magubane. With this book Bernard Magubane has made a most important contribution to an understanding of the current crisis in Southern Africa. Based on solid scholarship in South African history and a firm grasp of Marxist method, Magubane provides a richly detailed and informative history of the development of race and class, as well as an incisive analysis of the underlying social and economic forces. CL4639 $18.50/£10·75

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